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INTERNATIONAL DEMOGRAPHICS

CONSUMER ■ TRENDS ■ AND ■ MARKETS ■ ABROAD

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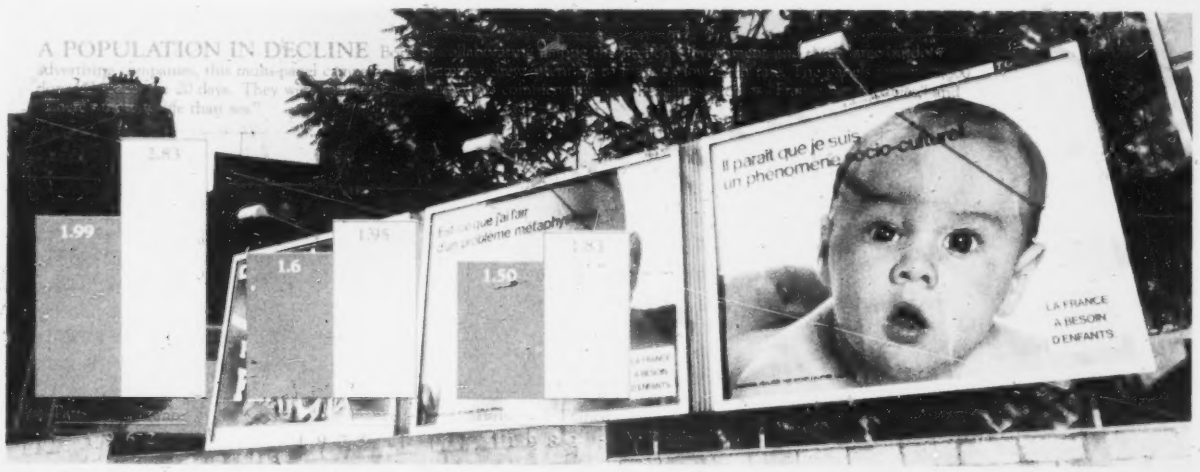

AREA PROFILE

ILE DE FRANCE: THE METRO AREA OF PARIS

The Tour d'Argent restaurant had a few rooms above the restaurant that they rented in those days, giving the people who lived there a discount in the restaurant, and if the people who lived there left any books behind there was a bookstall not far along the quai where the valet de chambre sold them and you could buy them from the proprietress for a very few francs. She had no confidence in books written in English. . . .

—Ernest Hemingway, A Moveable Feast

They still overlook the Seine, those small wood-plank bookstalls like the one where Hemingway traded in the early 1920s. And today, across the river at Les Halles, where Baltard's splendid 19th century market pavilions were demolished 15 years ago to make way for a lackluster complex now being completed, can be found a far less picturesque underground book supermarket.

Rented rooms and dining discounts are long gone at the famous 400-year-old three-star restaurant; elsewhere fast food, home-grown and imported, abounds. But English has risen in value in business as well as in literature with the guarded tolerance still accorded most outside influences.

A magazine called *Paris Villages* survives on nostalgia, blithely ignoring the fact that the *quartier populaire* of Hemingway's city has faded. The Tour Montparnasse juts obtrusively over what remains of the author's early Left Bank neighborhood. Other skyscrapers at La Defense on the western outskirts intrude harshly on a once-unbroken view through the Arc de Triomphe at the top of the boulevard Champs-Elysees. The wood-framed bulk wine depot at Bercy adjacent to the Gare du Lyon in the southeast has gone the way of Baltard's cast-iron structures, replaced by a grass-covered pyramid for indoor sports events and concerts.

Another pyramid, this one all glass, planned to sit amidst the ancient architecture of the Louvre as the expanding museum's new entrance, has embroiled its American architect, I. M. Pei, in a raging controversy. And

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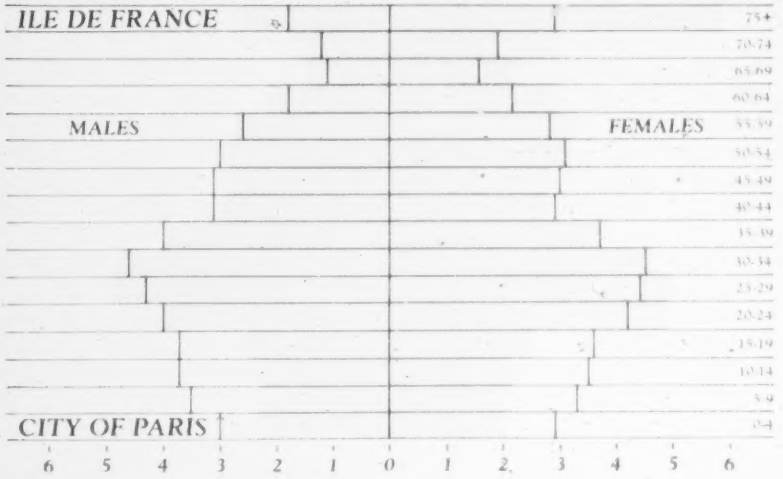
THIS MONTH: PARIS

POPULATION OF ILE DE FRANCE AND THE CITY OF PARIS BY AGE AND SEX: 1982



talks are underway to erect a Disneyland, *a la francaise*, in the area by 1992, when the city hopes to host the summer Olympics.

But apart from its appearance Paris is also that cliché — a state of mind that endures in special ways for most who spend time there. In Hemingway's words, recorded 40 years after his expatriate experience, "there is never any ending to Paris. . . ."

MORE THAN A CITY MARKET

As the appearance of France's capital changes, so does its social fabric. The shifting demographics of Paris are chronicled in the years following presidential elections which are held every seven years. France alone among industrialized nations holds to this census cycle, thereby complicating comparison with countries that use a five- or ten-year interval.

Detailed data for Paris and other urban centers were released this spring as part of a series of documents focusing on the country's 96 departements which are roughly comparable to counties, and 22 regions incorporating the administrative districts (including the two-departement island of Corsica, a region considered part of mainland France).

Analysis of this small-area data shows that France is now experiencing the same trend seen in the 1970s in Great Britain and the United States — the population in urban areas is migrating to semi-rural areas beyond traditional suburbs but still within commuting distance of city centers and employment. As a result, no population center with a population of more than 20,000 people gained population between 1975 and 1982 — a trend that had remained submerged for more than 100 years.

Seen from a marketing standpoint, the City of Paris functions as the vital hub of a thriving metropolitan area, dominating the country's closely interrelated Ile de France region — an area comprised of 8 departements covering about 7,500 square miles and a population of more than 10 million. Paris is just one of those departements.

Although accounting for only 2.2 percent of the country's land mass, the Ile de France Region houses 18.5 percent of France's total population, making it the most populous among the 22 regions.

Parisians love to leave their city — for long weekends, on a longer winter break, en masse for the traditional August away. On the road they're known by their license plate identification as "the 75-ers." But fewer 75-ers are leaving for good.

For the first time in more than 20 years the rate of population drain from the city center has slowed. Although the city center is still losing population, the census taken by the National Institute for Statistics and Economic Studies (INSEE) found population gains for the Paris metropolitan area and the Ile de France.

Parisians numbered 2.1 million in early 1982 — a figure that could be higher because of apparent discrepancies in the foreign population count, according to the city's own demographic group, the Atelier Parisien d'Urbanisme (APUR). The 1982 population of the Paris metropolitan area — one quarter of which is taken up by the city itself — was 8,706,963, a slight increase over 1975.

The Ile de France region, on the other hand, grew by more than 194,400 residents between 1975 and 1982 to a total of 10 million people. The 1984 estimate of population for the region is 10.1 million, which indicates continued growth during the first half of the decade. About 1.4 million people in the Ile de France live in non-urban areas defined as having fewer than 2,000 residents.

The slowing of the city center's population loss is attributed to several factors. *La crise*, as the French call factors affecting their sluggish economy (expected to grow only 1.1 percent this year but 1.9 percent in 1986), has held down housing starts. Other factors are the aging of the population (making it less mobile), a slight increase in births among inner-city Parisians, and a shortage in older rental housing. APUR claims that the 8.7 percent vacancy rate cited by the census is probably low because some residences declared as "secondary" are, in fact, "primary" housing intentionally being held off the market by wary owners. Under legislation enacted in 1981 by the newly elected Socialist government, tenants are entitled to a minimum six-year lease. Maximum allowable annual rent increases, state man-

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dated and tied to a new construction-cost index, lag behind inflation. The current ceiling of under 5 percent cannot keep up with more than a 6 percent inflation rate.

Not every one agrees that housing is at the root of the turnaround for Paris. While acknowledging these influences, demographer Michel Louis Levy of France's Institut National d'Etudes Demographiques, suggests that Paris' high-speed rail network may be helping to hold down the exodus. The Reseau Express Regional (RER), as distinct from the Metro subway system, transports more than 1 million passengers daily over three lines linking suburbs and city. Levy feels that although the RER functions primarily as a commuter train bringing white-collar homeowners from the suburbs to the city center and back again at the end of the working day, its easy availability is helping to revitalize the city center due to what might be called a "reverse RER effect."

Census after census also has shown a decline in the diversity of Parisian life. It's a development that Levy regrets: "Paris is becoming more and more bourgeois. The quarter with its cross-section of population that your American writer Henry Miller knew after the first war, with little exception, is lost to the present generation."

A glance at the data for skilled and unskilled workers living in Paris backs up this assertion: over the past 20 years the city has lost half its blue-collar jobs. Today the service sector is said to account for about three-quarters of all employment in Paris. Durable-goods marketers sensing increased prospects as a result of the spreading *embourgeoisement*, however, should tread cautiously. As recently as August, France's finance minister warned that purchasing power, which the government claims expanded by more than 4 percent on average from 1981 to 1985, but which demographic sources say is declining, is unlikely to show any upward tendency soon.

ADMINISTRATIVE AREAS

Jacques Chirac, the mayor of Paris, is not the only mayor in town. Each of 20 *arrondissements*, or wards, has an elected mayor and a local city hall called a *marie*. Each arrondissement is further subdivided into *quartiers* (which total 80) and *ilots*, or districts and neighborhoods. The Seine on its crescent-shaped course through Paris roughly divides the city into its Right Bank and Left Bank. Much of the central area is built on reclaimed marshland — from which the Marais quartier takes its name.

Each arrondissement uses funds raised largely through a series of direct and indirect taxes to provide essential maintenance services, health care and hospitalization, preschool and continuing education, and sports and recreation. As the latitude for action at this level of government is broader than in some other cities, cultivating local contracts when doing business can help newcomers establish a foothold in Paris at large.

What is often said about the country's national structure — that it is *coupe en deux*, divided between hard right and left views — also applies in another way to the demographics of the capital city. If one were to draw a perpendicular line through the center of Paris, the poorer areas in terms of income, housing, and other economic indicators would be found to the right (and on the left politically), in a crescent extending from the eastern part of the 18th arrondissement through the 13th and part of the 14th arrondissements. To the right in arrondissements such as the 8th and the

POPULATION OF ILE DE FRANCE BY AGE AND SEX: 1982

age	*total*	*male*	*female*
All ages	10,071,068	4,885,588	5,185,480
0-4	591,344	302,160	289,184
5-9	681,204	348,808	332,396
10-14	728,840	374,136	354,704
15-19	729,592	371,076	358,516
20-24	829,852	402,436	427,416
25-29	876,256	432,012	444,244
30-34	914,616	459,032	455,584
35-39	778,008	400,472	377,536
40-44	608,296	315,088	293,208
45-49	614,076	312,136	301,940
50-54	615,904	306,652	309,252
55-59	543,260	262,132	281,128
60-64	403,700	183,228	220,472
65-69	271,624	114,640	156,984
70-74	315,368	122,208	193,160
75+	569,128	179,372	389,756

POPULATION OF THE CITY OF PARIS BY AGE AND SEX: 1982

ages	*total*	*male*	*female*
All ages	2,176,652	1,008,176	1,168,476
0-4	95,956	49,132	46,824
5-9	98,272	50,260	48,012
10-14	98,416	50,592	47,824
15-19	111,004	55,168	55,836
20-24	195,164	88,880	106,284
25-29	215,924	106,856	109,068
30-34	205,404	104,052	101,352
35-39	165,072	84,308	80,764
40-44	125,008	64,856	60,152
45-49	122,596	60,880	61,716
50-54	131,232	61,836	69,396
55-59	130,596	58,084	72,512
60-64	110,876	46,344	64,532
65-69	83,836	32,668	51,168
70-74	102,524	37,516	65,008
75+	184,772	56,744	128,028

16th, a considerably higher standard of living prevails.

The most-populated arrondissement historically is the 15th in the southwest with a population of 225,600 in 1982. The fewest residents live in the 1st of the city's core — only about 18,500.

All arrondissements lost population in the last census except the 13th, which in recent years has seen the influx of large numbers of students and Southeast Asian refugees. Six Right Bank arrondissements are more than a third populated by foreigners. The residential drain in the historic center was greatest in the 2nd and 1st arrondissements. The 2nd lost 19.5 percent of its population and the 1st declined by 18.8 percent.

AGE STRUCTURE

The age and sex distribution of Ile de France reflects the effects of the World Wars and the postwar baby booms. The percentage of the city's population aged 75 and older is growing, but so are the 30-to-39-year-olds — those who were born during France's approximately 10-year postwar baby boom.

In 1982, children aged 14 and under made up nearly 20 percent of the total population, and people aged 60 and older about 15 percent of the population — proportions similar to those of other developed countries. Nearly 34 percent of the population in Ile de France was between the ages of 20 and 39, reflecting, in part, the higher birthrates after World War II and the fact that this group has not been decimated by a world war since.

The 0-4 age group matched the figure of 20 years ago at 4.7 percent, reversing a drop of .1 percent in each of the two preceding censuses.

HOUSEHOLDS AND HOUSING

The number of households in Paris registered 1.28 million in 1982, an increase of 41,000 over 1975. This 3.2 percent gain compares with an increase of only 1.4 percent between 1968 and 1975 and reflects a decline in household size over the past 20 years. The average number of persons per household dropped to 1.9 in 1982 compared with 2.0 in 1975, 2.1 in 1968, and 2.2 in 1962. Paris has the smallest household size of any large French city. The trend is true for all of Paris' 20 arrondissements but, as might be expected, has not been as severe in the 13th and 19th where household size surpasses two persons.

THE REGION, THE CITY, AND THE DEPARTMENTS OF THE URBAN AREA

	Ile de France	*Ville de Paris*	*Seine et Marne*	*Yvelines*	*Essonne*	*Hauts de Seine*	*Seine St. Denis*	*Val de Marne*	*Val d'Oise*
Total population	10,071,068	2,176,652	885,764	1,196,828	987,988	1,386,244	1,326,548	1,192,692	918,352
Under age 14	20%	13%	24%	23%	23%	18%	22%	20%	23%
Over age 64	11%	18%	11%	8%	9%	12%	9%	11%	9%
Foreigners	13%	17%	9%	11%	9%	14%	17%	13%	11%
Economically active	49%	51%	46%	47%	48%	50%	49%	50%	48%
Female	44%	47%	42%	41%	43%	44%	43%	45%	43%
Total households	3,937,012	1,097,452	300,436	404,756	329,476	570,604	478,564	446,716	309,008
Average size	2.6	2.0	2.9	3.0	3.0	2.4	2.8	2.7	3.0
1 person households	30%	48%	19%	19%	17%	32%	24%	25%	18%
2 person households	28%	28%	27%	26%	26%	30%	28%	29%	27%
3 person households	19%	12%	21%	22%	23%	18%	21%	21%	23%
4 person households	15%	18%	20%	21%	22%	13%	16%	16%	20%
5+ person households	7%	4%	13%	13%	12%	7%	11%	9%	12%
Total families	2,611,564	510,484	237,984	317,748	265,120	363,920	349,592	321,000	245,616
With no children	50%	60%	45%	44%	45%	54%	48%	51%	43%
With 1 child	25%	22%	25%	25%	26%	24%	26%	25%	26%
With 2 children	18%	13%	21%	21%	21%	16%	18%	17%	20%
With 3+ children	7%	5%	9%	9%	8%	6%	9%	7%	9%
Total housing units	3,937,012	1,097,452	300,436	404,756	329,476	570,604	478,564	446,716	309,008
With central heating	80%	64%	91%	89%	90%	84%	83%	85%	88%
With inside bath/shower	87%	78%	91%	94%	94%	87%	88%	90%	93%
With inside toilet	87%	79%	91%	93%	93%	89%	88%	90%	92%
With all amenities	72%	54%	77%	84%	85%	75%	75%	78%	83%
With telephone	84%	81%	84%	86%	88%	84%	81%	85%	86%
Total labor force	4,933,176	1,105,744	410,928	562,768	473,808	700,036	647,968	591,628	440,296
Top-level managers	6%	7%	6%	5%	5%	5%	5%	6%	5%
Professionals/administrators	13%	19%	9%	16%	12%	15%	6%	11%	9%
Middle-level managers	18%	18%	16%	19%	20%	19%	15%	18%	18%
White-collar workers	26%	24%	26%	26%	27%	26%	29%	28%	27%
Blue-collar workers	27%	20%	32%	25%	27%	25%	36%	28%	31%
Service workers	8%	10%	6%	6%	7%	7%	7%	8%	6%
Farmers/farm laborers	1%	<1%	3%	1%	1%	1%	1%	1%	1%
Other categories	2%	3%	2%	2%	2%	2%	2%	2%	2%

Source: Recensement general de la population de 1982, vol. II, Ile de France, Institut National de la Statistique et des Etudes Economiques

AT A GLANCE: PARIS

The Oldest

XVI
VI
VII
Val-de-Marne
Hauts-de-Seine
Seine-et-Marne

Youngest

X
XIII
IXX
Yvelines
Essonne
Val-d'Oise

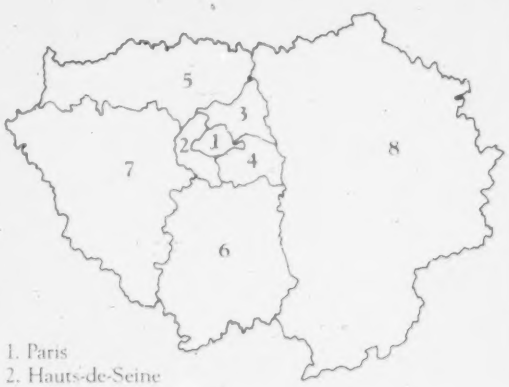
Largest Share of Professionals

V
VI
VII
XVI
Yvelines
Haute-de-Seine
Seine-Saint-Denis
Val-de-Marne

More Than Half One Person Households

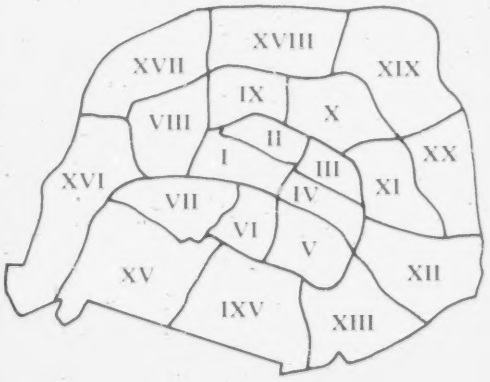
I-VI
VII
IX
XVII

DEPARTEMENTS OF THE ILE DE FRANCE



1. Paris
2. Hauts-de-Seine
3. Seine-Saint-Denis
4. Val-de-Marne
5. Val-d'Oise
6. Essonne
7. Yvelines
8. Seind-et-Marne

ARRONDISSEMENTS OF THE CITY OF PARIS



Highest Share of Foreigners

X
II
III
Seine-Saint-Denis

Working Class

Seine-Saint-Denis
Seine-et-Marne

Most Housing With All Amenities

XV
XII
IXV
Val d'Oise
Essone
Yvelines

Most Families

Val d'Oise
Yvelines

ARRONDISSEMENTS OF PARIS

	population	percent change 1975-82	percent under age 14	percent aged 65 and over	percent foreigners	percent people living alone	percent households with all amenities
I.	19,000	-18.8	11	19	19	53	37
II.	21,368	-19.5	13	17	24	57	25
III.	35,632	-13.5	12	17	22	54	33
IV.	33,880	-16.0	11	18	13	54	41
V.	62,128	-8.1	12	17	14	55	50
VI.	49,184	-13.2	12	19	13	53	51
VII.	67,024	-9.1	13	18	14	51	58
VIII.	45,800	-12.4	14	18	20	48	58
IX.	64,560	-8.7	13	20	17	52	41
X.	86,940	-7.5	14	16	22	49	37
XI.	145,776	-7.8	14	17	21	49	40
XII.	139,144	-2.0	13	18	12	48	57
XIII.	170,320	+4.6	16	14	15	44	65
XIV.	139,788	-7.1	14	18	15	49	56
XV.	225,628	-2.5	14	16	12	50	66
XVI.	178,696	-7.3	13	19	17	47	73
XVII.	168,600	-9.0	13	19	15	50	53
XVIII.	187,760	-10.6	13	18	20	49	39
XIX.	163,356	+12.7	19	12	20	40	62
XX.	171,885	-2.2	17	14	19	44	56

Source: Institut National de la Statistique et des Etudes Economiques, Premiere Resultats, March 1985.

One person households predominate in the Paris metro area. In 1982 48 percent of all housing was occupied by one-person households, of which 64 percent were made up of women, most of them elderly. Furnished rooms and *chambres de bonne* — quarters just under the eaves formerly occupied by maids — are 80 percent occupied by people living on their own.

Two-person households on the other hand declined from nearly 30 percent in 1975 to only 28 percent seven years later, thus continuing a 30-year trend. Twelve percent of households had three persons. The remaining 12 percent had more than three persons.

The more spacious lodgings, those with five or more rooms, are located in the so-called *beaux quartiers* in the western part of the city where the number of under-used apartments is on the increase. Thirty-five percent of Parisian housing lives up to the ideal standard of one person or couple per room, plus a communal room. Overcrowding is severe in only 10 percent of housing.

For many years the lack of interior sanitary facilities in much of Paris' housing stock was legendary. Newcomers today find a changed situation. Renovation of about 10,000 dwellings per year and new housing projects have helped to raise the share of principal residences with complete toilet and bathing facilities to 79 percent. But, when all amenities, including central heating, are taken together, 54 percent of Parisian housing meets the "fully-equipped" criteria, compared with 63 percent for all of France.

The age of many Paris buildings tends to make modern improvements difficult. In the historic center, for example, more than 70 percent of structures were built before 1871. An estimated 75 percent of all Paris housing is pre-World War I and 34 percent of that is said to have been built prior to 1871.

The cost per square meter for housing in Paris varies widely, generally moving from higher to lower in an easterly direction. As an indication, a three-room apartment of 65 square meters with a monthly rent equivalent to about $295 in the 18th arrondissement could rent for five or more times that amount in one of the Left Bank neighborhoods. Some of the most expensive real estate is on the islands in the Seine where Paris first took root.

The City of Paris had 510,584 families in 1982 of which 392,580 were native French. Of those with children, nearly 113,000 had one child aged 16 or under, more than 65,000 had two children aged 16 or under, and 24,000 had three or more children, aged 16 or younger. The metro area had a total of 2.25 million families, 1.9 million of them French. Taken in total, the region has about 2.6 million families.

In 1982, about 42 percent of Paris residents were married couples, 8 percent were widows or widowers, nearly 6 percent were divorced, and nearly 44 percent were single. France has long recognized *concubinage* as a legal status, with unmarried couples entitled to social benefits some countries reserve only for conventionally married couples and their families. Thus, the percentage of singles includes a high proportion of people who live together in couples.

LABOR FORCE AND INCOME

At least a half million Paris residents hold management or professional jobs. Of an active labor force consisting of about 1.1 million in 1982, men represented 49 percent. Men also accounted for somewhat more than half of the city's 89,000 unemployed in 1982.

The agglomeration's management professional grouping was more than 1.5 million, with another 200,000 distributed throughout the region. The labor force divides equally among men and women in the Ile de France region.

By the government's own admission in early September, unemployment remains France's dominant political and social problem. At 9.7 percent last year and 10.5 percent this year, it is expected to rise to 11 percent of the active work force in 1986. Youth unemployment is even more severe.

With about one-quarter of the population of the metropolitan area, Paris also produces half the area's jobs. Average wages in the Paris metro area are at least 22 percent higher than for the country as a whole.

Efforts to decentralize jobs to the near and far suburbs have been only partially successful. About 3 million workers commute an average of 40 to 60 minutes daily to and from the suburbs — many to city jobs in banking, insurance, and other service industries. Although the number of services has decreased, the service sector, exclusive of retail trades, still accounts for about half the metro area's employ-

ment in this category, or 217,000 jobs in 1982. Retail services, including hotel, restaurant, and cafe work, provide another 285,000 jobs. Paris' industrial sector supplies more than 30 percent of the metro area total. Among the largest employers are fashion and clothing (23,000 jobs), hotels, restaurants and cafes (57,000), and social and human services (61,000). Mayor Chirac's office itself provided employment for 36,300 people in 1982.

Income data are difficult to obtain since 1976 because of new privacy protection measures. However, certain generalizations can be made for the region.

A "scale of wealth" developed by one research group using per capita annual consumption as an indicator, places the Ile de France region first in the country, ahead of Provence-Cote d'Azur, the Mediterranean retirement choice for those who can afford it. The 8th and 2nd arrondissements in Paris are the wealthiest.

An INSEE salary analysis released in June shows a geometric progression of income beginning in about 1968. The average monthly salary for the entire work force in the private and semipublic sectors rose last year to 6,850 ff, up 450 ff from 1983. Annual salaries for upper management in 1984 averaged 206,490 ff; those of middle management 104,182 ff; supervising industrial workers, 97,573 ff; office employees, 66,862 ff; and blue-collar workers, 50,242 ff to 67,977 ff, according to level of qualification. Stated another way, half of French workers earn more than $660 per month. The monthly minimum wage, which under the Socialist government has risen considerably, is now about $515.

Despite these increases, average buying power declined 0.3 percent in real terms from 1983 to 1984 even though inflation had slowed to a 14-year low.

Average salaries in Paris and to a lesser extent in the rest of the metro area, however, run more than one-fifth higher than the national average. Also, a fairly generalized practice throughout France is "the 13th month," or an extra month's salary generally given to workers toward the end of the year yet ostensibly used to pay for a now mandatory five weeks vacation.

Income taxes are modest for Parisians as for their countrymen, but the French are still among the most heavily taxed people anywhere because of a series of other direct and indirect levies, including a value-added tax on purchases of many goods and services. Taxes amount to more than 45 percent of gross industrial output, compared with 37 percent in West Germany and 39 percent in the United Kingdom. Social security taxes alone represent 18.8 percent of output — more than 10 percent above that of the United States and higher than most other Western European countries.

Paris had 1.4 million active savings accounts in 1982, an increase of about 40,000 over the previous year. High taxes, slipping purchasing power, and a decline in government dictated savings account interest rates earlier this year may be one reason savers in Paris and elsewhere in France withdrew 7 billion ff in the second quarter of this year.

CONSUMPTION

Meaningful current figures for household consumption within Paris are not available. However, figures developed at the national and metro level by INSEE, INED, and others provide some indication of the city's spending and consumption patterns. For other reflections on local and national consumption, see the sidebar in this issue.

According to one study, the highest per capita consumption in France occurs in Paris' 8th arrondissement: 204,000 ff or about $24,000 spent yearly. In fact, seven arrondissements of the city rank in the country's top 10 consumption centers, which also includes St. Tropez. The same study shows the Paris Region with an annual per capita consumption of about 57,000 ff (about $6,700). A tax on substantial incomes introduced by the Socialists affects more people in the Ile de France than in any other region, according to the study. In that region, it affects 42,045 persons, or more than 62 percent of those so taxed in France. The runner up is the Provence-Cote d'Azur at 10,543 (7.2 percent of so-called grandes fortunes). INSEE projects a slowdown in household consumption through 1990 with a projected 1.9 percent dip in spending during the decade of the 1980s.

Although the present government has given greater administrative authority to the regions, Paris will always be the center for commerce, communications, education, medicine, and opinion-making.

INSIDE INFORMATION

A PARIS POTPOURRI

The annual Paris Marathon has taken on world-class status and *le jogging* or *le footing* — sweatshirts sport both — is a daily event around the city's 50 parks and nearby woods.

One in five Frenchmen jogs. Those running or doing aerobic exercise have doubled in a decade, including twice the number of women as in 1973. Paris alone has 21 sports clubs. More than 11 million people belong to sports organizations throughout the country. And Parisians are the country's biggest shoe buyers. With their countrymen, they bought 20 million pairs of running shoes in 1984.

Fitness is definitely on the rise in the French consciousness. Last year alone each adult spent about 6,000 ff (more than $700) on health-related needs, compared with 870 francs in 1970. The portion of household budgets devoted to health is nearly 15 percent today, compared with only about 9 percent 15 years ago. Advertising for bottled water — at least ten brands exist in France — reflects the health kick: *C'est bon l'equilibre* — is one campaign theme.

Nationally, spirits consumption is up, but, *zut alors!*, wine consumption is down. Two million French stopped drinking the stuff entirely in the last five years. In 1980, three-quarters of the French population aged 15 and over drank some wine regularly. Today, it's only 69 percent. Still, fully 42 percent of digestive tract illness is attributed to cirrhosis of the liver.

Smoking among men has declined 9.5 percent over the past five years, but increased 5 percent among women — trends evident in other developed countries as well. The state controls tobacco manufacture and runs an anti-smoking campaign.

ANOTHER REVOLUTION: HOW THE FRENCH VIEW ADVERTISING

Surveys going back ten years show that the French in substantial numbers have a phobia about *publicite*, a loathing and distrust of advertising.

Today that has changed. Forty-two percent believe that advertising informs, 18 percent that it distracts, rather than manipulates (36 percent). That advertising approaches art is a view held now by 60 percent of the French.

This revolutionary turnaround in how people feel about advertising was revealed in a poll conducted jointly by the research group IPSOS and the news weekly, *Le Point*. Findings were published in August.

Advertising in France generates nearly 50,000 jobs and more than $4 billion in annual revenues. West Germany spends 50 percent more, the United Kingdom twice that, and the United States, 2.5 times more.

The IPSOS-*Le Point* research further found that 72 percent of the representative 1,000 respondents had a "good" opinion of advertising professionals. This approval rating — another reversal from the attitudes expressed in earlier polls — jumped 10 percent higher among 15-to-25-year-olds.

When asked whether an advertising message or political talk was of more interest, 55 percent voted for advertising — 72 percent if they were under age 35.

One in three respondents said they make purchase decisions on the basis of advertising, and 41 percent believe advertising revenues give the media the ability to function independently. Forty-six percent think advertising can affect social mores — borne out by the fact that a recent campaign on prudent use of alcohol prompted wine and beer makers to mount campaigns to bolster slipping consumption.

Television best reflects society for 70 percent of respondents, advertising for 32 percent. At least half hold the opinion that television should permit commercials for currently banned products — books, publications, entertainment events, tourism, supermarket chains, part-time employment agencies, and housing.

Traces of the distrust, however, remain. Only 8 percent of those surveyed knew the true cost of advertising calculated in the price of an economy-sized box of laundry detergent. In a somewhat lighter, hypothetical vein, 53 percent were against having a giant Coca-Cola bottle posed at the Arc de Triomphe during the duration of renovations the soft-drink company agreed to underwrite. And, to the question of whether the French president should go on screen abroad to promote tourism at home the way Lee Iacocca has done, the majority said *non*.

A decade ago it would have been foolish to think that music from commercials could go commercial. Now the South American rhythm accompanying a Nescafe spot sells 1.5 million records. Another for Hollywood chewing gum rings a half-million sales while the jingle promoting subway and bus use nets 100,000. An all-night screening of nothing but television commercials played to a sold-out general audience earlier this year at a large, posh movie theater in Paris.

Jacques Seguela, a high-profile advertising executive who successfully promoted the election of the current president of France and who helped compile the survey's questions, wrote a book a decade ago called *Don't Tell My Mother I'm in Advertising, She Thinks I'm a Piano Player in a Bordello.* His latest and less-defensive offering, to use a literal translation of its title, is *Son of Advertising.*

More than half a dozen national dailies and 83 percent of weekly publications are headquartered in Paris. So are 64 percent of French companies. Four national television networks — one subscriber-supported — are Paris-based and two new private channels due next year are expected to locate there as well. Several of the hundreds of FM stations approved by the government since 1981 broadcast to the city and metro area. And cable installation now underway should encourage local TV programming.

One-third of France's students are enrolled in universities located in Paris — 194,500 in its 10 universities in 1982. The city has 7,000 doctors, 2,800 dentists, and 115 hospitals with 22,400 beds. The nearly 15 percent of the French household budget spent on health-related services goes in part to the 1,130 pharmacies in Paris. And the city is still mecca for artists; 60 percent of those in France live in the City of Lights.

SOURCES

Editor's Note: Another digit is being added to telephone numbers throughout France on October 25. All numbers given here should be verified since this issue went to press before that date.

Recensement general de la population de 1982, Resultats du sondage au ¼: Population, Emploi, Menages, Familles, Logements. Volume 11, Ile de France. Price 80 ff (about $9.50). This 60-page volume explains in French how the census was conducted, changes in terms since 1975, and provides data for the City of Paris, suburban areas, and the region as a whole (Ile de France). More than 150 documents published to date related to the 1982 census by the Institut National de la Statistique et des Etudes Economiques (National Institute of Statistics and Economic Studies) also are listed by price.

Write INSEE, Tour Gamma A, 195, rue de Bercy, 75582 Paris Cedex 12. Phone (1) 345.72.31. Telex: 230541-F INSEEOEP. Ask for free 150-page printed catalog of available documentation arranged by subject.

INSEE also publishes *Ville de Paris*, a 540-page volume tracing the last four censuses (150 ff, or about $17.50) and a four-page background report on Paris population characteristics, *Premiers Resultats No. 33 (March 1985), Les Habitants de Paris en 1982* (8 ff, about 95 cents). Both are in French.

Atlas des Parisiens is an exceptionally well-done appraisal of 80 demographic aspects of life in the city. Short texts with English summaries are accompanied by color graphics. A drawback is that much of the information is based on the 1975

census data, despite 1984 publication. Publisher: Masson, 120, Bd Saint-Germain, 75280 Paris Cedex 06. Masson Publishing USA, Inc., 133 East 58th St., New York, NY 10022. About $28.

A more subjective view of demographic changes within the city is available from the Atelier Parisien d'Urbanism, 17, boulevard Morland 75181 Paris Cedex 04. Telephone (1) 271-28-14. One analysis, *Paris: Population et Logements, Situation 1982 et Evolution Recente*, concludes that vacancy rates, principal residence classifications, and foreign population in the last census need further refinement. Priced at 100 ff or about $11.75. An earlier volume — *Vingt and d'evolution de Paris* — documents changes in each of the city's 20 arrondissements from 1954-1975.

Les Chiffres Cles de l'Economie de l'Ile de France (Key Figures of the Paris Region Economy) is published annually by the Institut d'Amenagement et d'Urbanisme de la Region Ile de France. The 1984 edition devotes one of 12 chapters to the service sector which is said to account for 75 percent of Parisian jobs. Write to the Institut at 21-23, rue Miollis, 7532 Paris Cedex 15. Price: 155 ff or about $18.25.

The city of Paris offers an extensive range of publications of interest to demographers and marketing researchers, among which are the *Annuaire Statistique* (Statistical Annual), *Prefecture de Paris*, and an 80-page thumbnail facts-and-figures compilation, *Paris en Chiffres*, both free. Write Marie de Paris, Hotel de Ville, Direction Generale de l'Information et des Relations Exterieurs, 75196 Paris R.P.. The city's Association for Municipal Information publishes Ville de Paris, a monthly general-interest magazine in French. Write or call city hall (telephone (1) 276-40-40) for foreign subscription information.

Highly recommended for an upbeat, urban-oriented view on what makes Parisians and their city compatriots tick: *Francoscopie — Les Francais: Qui Sont-Ils? Ou Vont-Ils?* (loosely, The French: Who Are They? Where Are They Headed?) by Gerard Mermet in collaboration with the Advanced Communication Center. Liberally illustrated with charts and graphs from demographic sources and magazine articles, the volume has plentiful reproductions of print advertising and TV spots to amplify short, breezy texts. Published last spring by Larousse, 12, rue du Montparnasse, 75006 Paris. Telephone 325-81-44. Price: 89 ff (about $11.50).

Finally, the *International Herald Tribune* publishes the 200-page *French Company Handbook* giving vital data on 84 leading firms, basic facts on others, the economy, the stock market, and bilingual financial terms. Write: Book Division, 181 avenue Charles-de-Gaulle, 92521 Neuilly Cedex France. Telephone (1) 747-12-65. In New York City, phone (212) 752-3890. •

—Peter Inserra

Peter Inserra is International Demographics' *correspondent in Paris.*

TIPS ON TRENDS

THE ELUSIVE EXPATRIATES

Researchers grappling with the problem of learning how many U.S. citizens live in a foreign country will be interested in a booklet from the Population Reference Bureau, *The Elusive Exodus: Emigration from the United States*, by Robert Warren and Ellen Percy Kraly.

It cites the U.S. Department of State 1984 estimate of about 1.8 million U.S. citizens living abroad, not counting military personnel and their dependents.

Estimates for 1983 show that about 37 percent of expatriates lived in North and Central America and the Caribbean, with nearly 16 percent in Canada and 14 percent in Mexico. An estimated 9 percent lived in Latin America at that time. Nearly a third were in Europe. The largest groups were in West Germany, the United Kingdom, and Italy. Asian countries hosted nearly 16 percent of the expatriates, with large concentrations in the Middle Eastern countries of Saudi Arabia and Israel, the Philippines, Japan, Hong Kong, and Singapore. The remaining 8 percent were divided between Oceania and Africa.

Warren and Kraly discuss the deficiencies in available data about emigrants and suggest ways of filling the gaps, including adding questions to the census and to the Current Population Survey.

The 15-page publication is available for $4.50 including postage and handling from Circulation Department, Population Reference Bureau, P.O. Box 35012, Washington, DC 20013.

JAPANESE HOUSING

New homes in Japan being purchased by the upper and middle class are growing in size and gaining in amenities, according to an article, "Trends in Japanese Housing," in the July/August issue of *real estate today*.

Just as the American home market is maturing to meet demand (see *American Demographics*, "The Good News About Housing," August, 1985) many new Japanese homes have larger square footage — up to 2,000 square feet, compared to previous living areas of 800 to 1,000 square feet — and amenities such as whirlpool baths, oak floors, extensive tilework, and efficient fireplaces.

Ranch-style homes are not common because they take up too much space, but two-story homes with four bedrooms on the second floor are. Rather than multipurpose rooms, new Japanese homes now often sport separate bedrooms, dining rooms, and living rooms. In some, a traditional tatami room provides a place to entertain Japanese visitors on special occasions.

Japanese yards are still small, according to author Bruce Townsley. "It is not uncommon to find 17 single-family units to the acre on scarce, buildable ground. Consequently, patios, decks, and other extensions of living space so common to American homes rarely occur in the Japanese home. Garages, too, are a rarity."

Townsley notes that last year Japanese built and sold twice as many new homes per capita as were built and sold in the United States. •

FEATURE

DRINKING LIGHT AND HEALTHY IN JAPAN

Light-alcohol beverages and health drinks become more popular in Japan as young working women increasingly enjoy a liberated lifestyle characterized by a sharp sense of fashion and a strong orientation toward leisure.

The advertising for these drinks uses an image popular with today's Japanese youth — taking it easy in an avant-garde setting. The ads target one of Japan's strongest consumer groups — young working women who live at home with their parents. The roughly 8 million women between the ages of 20 and 30 make up nearly 7 percent of Japan's total population and 13 percent of all Japanese women.

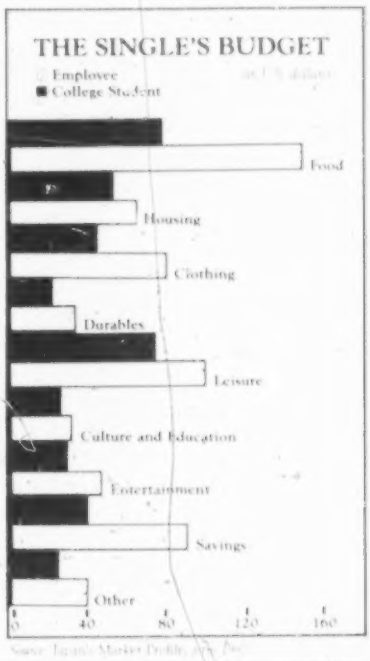
With marriage increasingly delayed to between ages 24 and 27, young women have a relatively large amount of discretionary income to spend on leisure, recreation, and entertainment. Typical female office workers often end their work day with an "evening out with the girls" for dinner or a trip to the health club before commuting home.

Newly-employed young men and university students also contribute to the sales of low-alcohol beverages. Although the incomes of university students and single workers differ significantly, their spending patterns and often their tastes are similar.

Recent issues of magazines targeted to Japan's young women teem with double-page spreads of new product announcements for light-alcohol drinks and draft beers in half-sized cans that fit discretely in the palm of a hand. These 2-to-7 percent alcohol drinks range from beer-soft drink combinations to wine coolers.

Packaged to appeal to both the pocketbook and demeanor of a young woman, Kirin's Palm Can draft beer fits a ladylike image and costs an economical equivalent of 55 cents for its tidy 180 ml. (about a cup). Spurred by market surveys showing that Japanese women often finish only half a regular-sized can of beer, the palm-sized can has also caught on at Suntory Ltd., Japan's largest bottler of whiskey and other beverages. Suntory's Penguin's Bar brand draft beer comes in a 135-ml. can as well as the more-standard 250- and 350-ml. sizes.

Another new release from Suntory is its beer-based foaming cocktail, Panache. At about 64 cents a 200-ml. can, Panache comes in lime, apple, or grape and has a 2 percent alcohol content. Sapporo Brewery's Squash Agatha brand also combines fruit juice and beer and contains less than 1 percent alcohol.



Source: Japan's Market Profile, 1985

Fruit juice and shochu (traditional distilled spirits) combinations are also popular new releases. Lovestar Three-Nine, marketed by Miho Shurui, has a 7 percent alcohol content and comes in lemon and lime, grapefruit, apple, and plain. A 300-ml. bottle costs about 60 cents.

Many Japanese companies have joined the U.S. wine cooler craze, releasing products with names such as New hi Liki Wine Cocktail, Cool 2, Wine Cooler Monica, and Wine Cooler Cindy. The alcohol content of these new products ranges from 4 to 6 percent; they are priced at about 75 cents for 200 ml..

Long favorites among the middle-aged and elderly in Japan, health drinks now appeal to the young fitness enthusiasts as well. With expenditures on recreation and leisure averaging $80 a month, young working women belong to fitness centers and work out regularly, helping to create a market for all kinds of new health drinks.

About 30 makers already crowd the market for so-called "Vermont" drinks, known as those that have apple vinegar, rice vinegar, or vinegar plus honey as their main ingredient. Other drinks range from Chibikko 5, a lactic acid bacteria drink, to Calpis KK Oolong Tea.

More information about the Japanese consumer market, including statistical tables and commentary, is available in a new 32-page publication from Japan External Trade Organization — *Japan's Market Profile: A Look Into Japan's Marketplace for Consumer and Capital Goods*. In the words of the preface, it is "intended to provide a vivid and visual understanding of how the Japanese spend their time and — ultimately — their money." For a copy, write to JETRO, International Communication Department, 2-5, Toranomon 2-chome, Minato-ku, Tokyo 105, Japan; telephone 03-582-5511. ●

Denise Rusoff

Denise Rusoff was formerly senior editor of the Japanese magazine, PHP, and is now vice president of Translations Nippon.

PUBLICATIONS

Women at Work Special Issue — Protection of Working Mothers: An ILO Global Survey (1964-1948), 1984, Geneva: International Labor Office, 70 pp., 12.50 Swiss Francs. Order from ILO Publications, International Labor Office, CH-1211 Geneva 22, Switzerland.

In 1975, the total number of economically active women in the world was 575 million. The ILO estimates that by this year there will be 675 million women in the labor force. Thus, every year about 10 million women enter paid employment. The ILO projects that the number of new female entrants into the labor force will rise to 13 million a year from now through the rest of the century. The major change in recent years is among women aged 25 to 44 who have stayed in the labor force even when they have children at home. In developing countries the change has also been that women leave agricultural work to move to urban areas for better job opportunities.

This special issue reviews what has happened to women in the last two decades, focuses on events in some specific countries, and discusses labor law changes that have been made and need to be made to assure that the workplace accommodates to the needs of working mothers and their children.

A country-by-country chart summarizes the laws and regulations governing maternity protection.

Population and Survival: The Challenge in Five Countries, by Georgia Lee Kangas, 1984, New York: Praeger Publishers, 1984, 249 pp., $37.95. Order from Population Communication, 1489 East Colorado Blvd., Suite 202, Pasadena, CA 91106.

The population problems and successes of India, the Philippines, Egypt, Bangladesh, and Mexico are described in this book. The introduction makes clear why people in the United States should care about population in foreign countries.

For example, Robert Gillespie of Population Communication states in his introduction that, "people in the United States have vital national security interests and heavy financial commitments in both Egypt and the Philippines. If, due in part to rapid urbanization or uncontrolled population growth, the population problem destabilizes these countries, the impact on the United States would be profound. If, due to a disenfranchisement of the middle class, unabated inflation, and a lack of jobs, Mexico becomes the next Iran, there would be a flood of refugees and illegal immigrants into the United States."

This is one of the more up-to-date reviews of the subject in each of these countries, with the 1980-round of census data the basis for much of the discussion.

Circulation in Third World Countries, by R. Mansell Prothero and Murray Chapman, 1985, Boston: Routledge & Kegan Paul, 1985, 469 pp., $59.95. Order from Routledge & Kegan Paul, 9 Park St., Boston, MA 02108.

This book uses case studies to describe "circulation" in the Third World. According to the authors, circulation occurs when "people move from their places of residences for varying periods of time but ultimately return to them," and it is in this way that circulation is different from migration.

The moves may be motivated by changes in the seasons, religious beliefs, or by the lure of different marketplaces for such workers as wandering shoemakers. Some economic factors usually lie behind circulation.

This book presents a collection of essays that serve as case studies of different kinds of circulation movements and examples of moves motivated by economic opportunity. The book may be useful to those trying to understand the economic circulation within countries such as Ecuador, Kenya, India, East Africa, Indonesia, and Peru.

Adolescent Fertility: Worldwide Concerns, by Judith Senderowitz and John M. Paxman, 1985 Washington, D.C.: Population Reference Bureau, 1985, 50 pp., $4.00. Order from Population Reference Bureau, 2213 M Street N.W., Washington, DC 20037.

What happens with teenage childbearing in developing nations is particularly important for world population growth, according to the authors of this bulletin. Eighty-two percent of the world's 245 million women aged 15 to 19 live in developing countries and this number is projected to go up another 75 million in the next 35 years even though the numbers of women this age will decline slightly in developed nations as a whole.

In much of Africa, Asia, and Latin America where early marriage and childbearing are still the norm, birthrates of women aged 15 to 19 are far over 100 births per 1,000, the authors report, although the birthrate is just 15 in China, the world's most populated country. These rates are generally low in developed countries — 4 births per 1,000 in Japan, 9 in the Netherlands. However, many developed countries and some developing countries experiencing rapid urbanization are concerned about the growing proportion of teenagers' births that occur out of wedlock — 51 percent in the United States and 52 percent in England and Wales in 1982 — and unmarried teenagers' increasing reliance on abortion.

This trend is linked with more and earlier premarital sexual activity, fostered by the lengthening "bio-social gap" between puberty and marriage, the loosening of traditional parental and social controls, and increasing peer and media pressures to be sexually active.

Censuses of Asia and The Pacific, 1980 Round, edited by Lee-Jay Cho and Robert L. Hearn. Honolulu, Hawaii: East-West Population Institute, 380 pp. No price given. Order from Publications Orders, East-West Center, 1777 East-West Road, Honolulu, HI 96848.

A country-by-country summary of the topics covered in the 1980 round of censuses. A handy reference chart at the beginning of the book shows the census date and indicates the data items that were collected. For example, a glance shows that Australia, Japan, New Zealand, and Sri Lanka collected information from all respondents on how they travel to work, and that the United States, Singapore, and Korea collected that information only from a sample of households. The other countries did not collect travel-to-work data. The book does not provide any data, but only information about the census collection process. •

FEATURE

FRANCHISING ABROAD: "BITE THE WAX TADPOLE"

Turning a profit in overseas franchising takes good organization, flexibility, and a long-term commitment.

Speakers at a two-day session organized by the International Franchise Association said most of their companies went overseas by accident. However, all recommend that a move abroad would be smoother if it was planned and the markets chosen carefully.

John R. Moore, president of Midas International, suggested that companies resist the temptation "to jump into what appears to be a unique opportunity. There is no shortcut to structuring a proper company."

Several executives cited instances where their companies had jumped into a foreign market at someone else's invitation without doing their own market research. "Three days wandering around the streets of Tokyo doesn't provide sufficient market research to make a good decision," said one.

Anthony Thomas, executive vice-president of Kentucky Fried Chicken International, said that the total corporation must be prepared to wait for the pay-off because franchising overseas may be a drain on profits in the early years. KFC, for example, took six years to make a profit in Japan and four years to break even in Europe, he said.

The same demographic factors that make Kentucky Fried Chicken successful in the United States have contributed to its success in Europe and Japan — shorter work weeks, women working outside the home, increased disposable income, and a young population that "leapfrogs" established ways of doing things and tries new products. In addition, Thomas said, "Chicken is popular everywhere."

When you enter a different culture with your franchise, Thomas said, there is enormous pressure to deviate from the original idea under the guise of cultural differences or local preference. But franchisors should resist. "Stick to your high standards," he said, citing Kentucky Fried Chicken's emphasis on quality, service, and cleanliness.

At the same time, Thomas mentioned some areas where changes have had to be made to conform with local concerns. For example, the equipment used to pressure-fry chicken has to be modified to meet West German standards which are more stringent than those in the United States. Power supplies often dictate the adaptation of equipment as well. The "11 herbs and spices" of Colonel Sander's original recipe sometimes differ from country to country, but each combination must be tested and approved by the franchisor.

Maury C. Roe, vice-president and director of market development for the Coca-Cola Company — a franchisor in 155 countries — said that the first step in entering a foreign country is to "define your business — very specifically — in terms of the country you propose to enter. For whom do you want to do what? When? Where? How? And why?"

He said, for example, that while the Southland Corporation (7-Eleven stores) is very successful with convenience stores in Japan, their success is due to their recognition that a convenience store is different in Japan than in the United States.

"In this country, it's a small grocery and specialty store that's located convenient to automobile traffic, with parking, and a limited array of products sold at premium prices. The concept would fail in Japan!

"Many people there don't have cars. Parking is at a real premium. People don't shop there the same way they do here. In Japan, the average housewife shops two, maybe three times a day, usually within 100 to 200 meters of her home, in a very urban, densely populated area. She uses the store as her pantry," Roe explained.

"The key," he said, "is that Southland knows its business is providing convenience to the consumer. But at the same time, the company was able to maintain the concept and redefine convenience stores for the Japanese market."

Roe also suggests that companies not think in terms of "going international," but rather in terms of specific cities and countries.

"Remember back to the time when you began to think about getting married?" he asked. "I'll bet you didn't think 'I want to get married,' but 'I want to marry Sue . . . or John.'"

While all the speakers said that international franchising is unlikely to pay off immediately, none suggested staying away from foreign countries. The Coca-Cola Company, for example, earns half its profits from its overseas business.

For information about franchising both domestically and internationally, contact the International Franchise Association, 1350 New York Avenue, NW, Suite 900, Washington, DC 20005; telephone (202) 628-8000. •

— *Doris Walsh*

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